

Service Date: May 2, 2006

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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IN THE MATTER of the Application)	
of BLACK HILLS CORPORATION d/b/a)	UTILITY DIVISION
BLACK HILLS POWER, Inc.)	DOCKET NO. D2006.3.37
for Authority to Increase its Quarterly)	DEFAULT ORDER NO. 6732
Fuel Rate Rider.)	

DEFAULT ORDER

On March 21, 2006, Black Hills Corporation d/b/a Black Hills Power Inc. (BHP or Applicant) filed a petition with the Montana Public Service Commission pursuant to § 69-3-101 et seq., MCA, for an order authorizing the Applicant to increase its electric rates in order to reflect the increased cost of fuel used in the generation of electricity. The fuel costs concerned are for the months of December 2005, January and February 2006.

On March 24, 2006, the Commission issued a Notice of Opportunity for Public Hearing. A provision in that notice stated, "If, however, no hearing is requested by April 25, 2006, the Commission will consider the matter and a default order may be issued."

Having considered the application and the documentation furnished by the Applicant in support of its application and deeming itself fully advised in the premises, the Commission makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. If increased fuel costs for the months of December 2005, January and February 2006, are to be recovered, a charge of \$0.01095 must be added to the base fuel cost of \$0.01240 approved in Docket No. 83.4.25, which results in a total fuel charge of \$0.02335 per kWh. The

Quarterly Fuel Rate Rider will increase revenues by approximately \$54,990 above fuel costs authorized in Docket No. 83.4.25.

2. The number of customers presently being served in Montana is 35.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over parties and proceeding in this matter.
2. The resulting rate levels are reasonable and just.

ORDER

IT IS HEREBY ORDERED THAT:

1. The Quarterly Fuel Rate Rider for the billing period of May, June and July 2006 is \$0.01095 per kWh. This charge shall be added to the base fuel cost approved in Docket No. 83.4.25.
2. The approved rates shall be effective for electric service rendered on and after May 2, 2006.

DONE IN OPEN SESSION at Helena, Montana, on this 2nd day of May, 2006, by a vote of 5 to 0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

GREG JERGSON, Chairman

BRAD MOLNAR, Vice Chairman

DOUG MOOD, Commissioner

ROBERT H. RANEY, Commissioner

THOMAS J. SCHNEIDER, Commissioner

ATTEST:

Connie Jones
Commission Secretary

(SEAL)

NOTE: Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. See ARM 38.2.4806.